

**Illinois Department of Revenue
Regulations**

Title 86 Part 100 Section 100.3210 Commercial Domicile (IITA Section 303)
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TITLE 86: REVENUE

**PART 100
INCOME TAX**

Section 100.3210 Commercial Domicile (IITA Section 303)

- a) General definition. The term "commercial domicile" is defined in IITA Section 1501(a)(2) to mean the principal place from which the trade or business of the taxpayer is directed or managed. In general, this is the place at which the offices of the principal executives are located. Where executive authority is scattered, the place of daily operational decision making controls. Such determinations must be made on the basis of all the facts and circumstances.

- b) Example. 86 Ill. Adm. Code 100.3210 may be illustrated by the following example: Company A has a board of directors which meets quarterly, each meeting being held at a different plant in a different state. A's chairman is designated as its chief executive officer and all top policy decisions are made by him. A's president makes the day-to-day decisions involved in management and it is to him that the manufacturing and sales vice presidents report. He reports to the chairman. A's treasurer is the company's top financial officer, reporting directly to the chairman, and being reported to by financial vice presidents and the controller. A's chairman operates largely out of his home in Wisconsin, communicating with other executives by telephone and periodic visits to their offices. A's president has his office at the company office in Chicago. The manufacturing and sales vice presidents also have offices at the company office in Illinois, as do the sales manager and the controller. A's treasurer and financial vice-president have their offices at the company office in New York City. The company's attorneys and accountants are located in Chicago; its investment banker in New York City. On the basis of the foregoing facts, A's commercial domicile would be Illinois, because daily operational decision making occurs principally within Illinois.